



CONNECTICUT
BUSINESS & INDUSTRY
ASSOCIATION

TESTIMONY OF
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VICE PRESIDENT AND ECONOMIST
CONNECTICUT BUSINESS AND INDUSTRY ASSOCIATION
SUBMITTED TO THE
COMMITTEE ON AGING
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Good day. My name is Pete Gioia. I am the economist for the Connecticut Business and Industry Association (CBIA). CBIA represents about 10,000 firms, which employ about 700,000 women and men in Connecticut. Our membership includes firms of all sizes and types, the vast majority of which are small businesses with fewer than 50 people.

CBIA strongly supports SB 860 An Act Concerning Presumptive Medicaid Eligibility for Home Care and HB 6716 An Act Expanding Access to Home Care. CBIA conditionally supports HB 6685 An Act Increasing Home Care Provider Rates given that the prior two bills are enacted and the state directs some LTC nursing home savings to increase home care provider rates.

CBIA supports the underlying premise of SB 860 and HB 6716 in our report "Turning the Tide" http://gov.cbiam.com/issues_policies/article/turning-the-tide-on-connecticuts-fiscal-policies

Increasing home care in lieu of more costly nursing home care, where appropriate, saves taxpayers money while providing more better and appropriate services for clients. We note that study by UCONN has confirmed that elderly clients prefer home care whenever possible. The

Connecticut Regional Institute for the 21st Century exhaustively studied the issue of long term care (see http://ctregionalinstitute.files.wordpress.com/2010/02/findingsppt_full.pdf). It found that most seniors prefer home care but face daunting obstacles in getting those services in lieu of nursing home placement. We note that other studies done by AARP, and Mercer also show the need and desirability for the state to proceed towards its own stated goal of 75% home care vs. 25% nursing home care with all deliberate speed. We feel that this goal has not received priority comprehensive and accelerated attention by the state. We have heard from others that implementation is really fast yet our own observation says it's still rather slow and needs a real solid goal to be stated by the general assembly for the state to obtain. That is why we welcome and support these bills. We are sure you will hear debate on cost savings that may result from this bill, but I feel certain that implementation will show some savings versus continuing to do things as we have always done them.

CBIA believes that HB 6685 is certainly desirable. However, we are as concerned as all of you are regarding our state fiscal crisis. Well and rapidly implemented the prior bills can set the state for cost savings versus added nursing home placements. This should provide dollars to be reallocated to home care rate increase and still save the state costs overall. But, it is important that we reallocate funds and not further increase the budget in this effort.

Thank you for the opportunity to present this testimony.